



YOUR  
REGION  
FOR  
BUSINESS

# How to Start an AI Hub in Toronto: **A Step-by-Step** Guide

*from the experts at Toronto Global*



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**Considering where to launch your AI Hub? If Toronto's on your radar, you're already on the right track.**

With one of North America's largest tech workforces, a Nobel Prize-winning AI pioneer in Geoffrey Hinton, and the highest concentration of AI startups on the planet, the Toronto Region is leading the charge.

Home to Canada's top AI talent and global tech giants alike, this is where cutting-edge ideas scale fast.

**Ready to get started? Here's how to make your AI Hub a reality in Toronto.**



Your first and best move is simply to talk to us. We are your insiders, your connectors, your champions – with the mission to help your team hire, scale, and thrive in Toronto and across Canada. We’ve helped some of the world’s most ambitious start-ups, scale-ups, and Fortune 500’s launch their AI journey here in Toronto, and we’re ready to help you do the same.

**All for free. Confidentially.**

## Why We Created This Guide

Every company is unique, and we’ve got the experience and expertise to customize our data and support your ambitions. So **this guide is intended as a starting point** – to demonstrate the potential, highlight the process, and celebrate the stories of companies that have expanded here successfully.

We love what we do—and **we know the Toronto Region inside and out**. From the moment we connect, we’ll help you:

- + **Understand the region’s** AI ecosystem, talent, costs, and opportunities
- + **Facilitate the right conversations** to validate your decision to expand
- + **Make introductions** to service providers to assist with the operational aspects of expansion
- + **Connect to the R&D experts** deploying AI for your sector
- + **Throw a launch party** to let the world know you’ve landed here

## Who We’ve Helped

We’ve worked with companies like Unilever, NVIDIA, Sanofi, Samsung and Snowflake, helping them establish AI projects, partner with universities, hire top-tier talent, and unlock growth right here in Canada.

Follow along with us as we take you through **seven** steps to launching your AI hub in Toronto. **From concept to completion - we’ll be there.**







You’ve Got **Questions** – We’ve Got **Data**.

When you’re deciding where to grow your AI hub, data matters, but the right data matters even more. **That’s where we come in.**

We work closely with your team to deliver tailored analysis that supports your decision-making, whether you’re comparing locations, projecting costs, or assessing talent.

OUR SUPPORT INCLUDES:

What you need to know	How we find the answer
Talent Benchmarking	Custom benchmarking to help you understand talent availability, and compensation expectations
Industry and Market Overviews	Market ecosystem insights, including sector trends, academic partnerships, and competitor activity
Business and Operational Costs	Location strategy support, with data-driven comparisons across the Toronto Region, covering talent access, operating costs, and real estate costs considerations
Regional Comparisons	Benchmarking analysis to evaluate the Toronto Region against other global cities based on investment activity, cost drivers, and quality-of-location metrics
Custom Reports	Fully customized reports on the sectors, roles, or regions that matter most to your business



NOTABLE AI RESEARCH LABS IN THE TORONTO REGION





# STEP 03

## Meet with Stakeholders

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We're here to make introductions to the right folks - people who have been there, done that. Toronto's AI scene is built on collaboration, and tapping into that network will give you a major head start.

### Who You Should Meet (and Why It Matters)

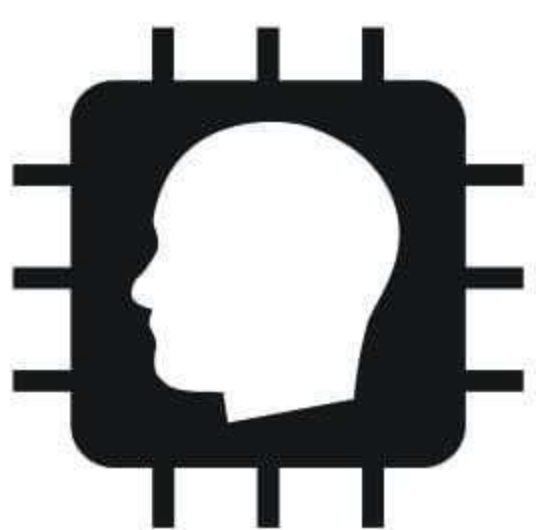
Toronto isn't just another tech hub—it's a powerhouse of AI talent, research, and innovation. The right introductions will unlock partnerships, funding, and the best minds in the field.

Let us put together a customized and well-informed program for you and your team, consisting of:



#### Peer Executives:

You'll want to hear directly from industry leaders on what it's like to hire and grow an AI team here. Whether you want to chat with someone from your sector or from your country, we can connect you.



#### Research & Cutting-Edge AI Development:

The Vector Institute for Artificial Intelligence is the best place to access cutting-edge developments and connect with world-class AI researchers, including the Godfather of AI and Nobel Laureate, Geoffrey Hinton.



#### Hiring & Talent Pipeline:

The region's postsecondary institutions, such as the University of Toronto, York University and Toronto Metropolitan University, are the top sources for recruiting emerging tech talent, with over 4,000 AI-related graduates from Toronto Region post-secondary institutions annually.

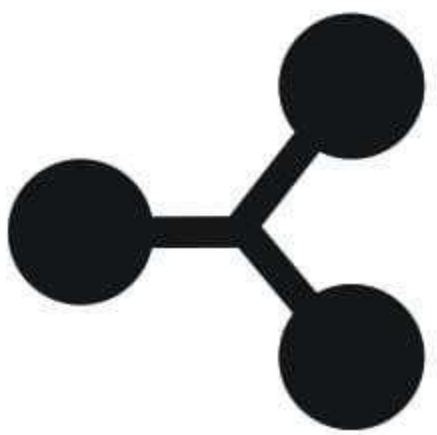


**Industry Insights & Business Landscape:**

Organizations like ScaleAI and CIFAR's AI & Society program provide key connections and insights into the AI sector.

**Startup Ecosystem & Investment Opportunities:**

Programs like Next AI provide funding and mentorship for entrepreneurs looking to solve global challenges with AI-enabled solutions.

**Partnerships & Collaboration:**

Don't leave without paying a visit to North America's largest urban innovation hub - MaRS Discovery District - one of the best places for networking with AI startups, corporate players, and investors to form strategic partnerships.

**Make the Most of Your Visit**

**Book Smart Meetings** – Work with us to prioritize who you need to see. If research partnerships matter, visit Vector first. If you want startup collaborations, CDL and MaRS should be on your list.

**Hit Up AI Events** – Collision, AI World Summit, and Elevate are great for meeting the community (and maybe even scouting some talent).



**Tour AI Hubs** – Seeing the energy at these places in person beats reading about them online.

**Meet Future Talent** – Set up a lunch & learn at a university or attend a student showcase—Toronto's AI talent pool is deep.

Toronto's AI ecosystem **isn't just about business—it's a community**. Get out there, meet people, and take advantage of everything the city has to offer. Who knows? Your next big AI breakthrough might start with a casual coffee chat in downtown Toronto.





## Why Toronto?

The Toronto Region offers a **significant cost advantage** for AI labs:

Lower operating costs compared to major U.S. tech cities like New York City and San Francisco

Access to a large, high-quality talent pool

Immigration programs

Generous R&D tax credits and government funding programs

## Unlock Additional Value Through Incentives

Your company might be eligible for valuable hiring and research incentives available in our region when setting up an AI hub.

### Hiring Incentives:

- + **MITACS** - funding available to hire/work with research talent at an eligible post-secondary
- + **Co-operative Education Tax Credits** - tax credit to encourage Ontario businesses to provide experiential learning and hands-on job experience to post-secondary students through co-op work placements.

### Research Incentives:

- + **Scientific Research & Experimental Development (SR&ED)** - applicable to businesses of all sizes and in all sectors to conduct R&D in Canada.
- + **Ontario Innovation Tax Credit (OITC)** - tax credit for small- and medium-sized businesses for R&D expenditures in Ontario.
- + **Ontario Research and Development Tax Credit (ORDTC)** - tax credit on eligible scientific research and experimental development expenditures performed in Ontario
- + **Ontario Business Research Institute Tax Credit (OBRITC)** - tax credit for expenditures incurred in Ontario under an eligible contract with an eligible research institute (University/College).



20 EMPLOYEES			
LABOUR COST BREAKDOWN			
Occupation	Average Salary	Total Employees	Total Cost
AI Engineer	\$107,704.20	4	\$430,816.80
Data Scientist	\$110,705.23	3	\$332,115.69
Director, Partnerships and Research	\$136,735.57	4	\$546,942.28
Machine Learning Engineer	\$129,551.64	3	\$388,654.92
Technical Product Manager	\$101,405.03	2	\$202,810.06
Research & Development Manager	\$125,741.77	1	\$125,741.77
Research Student	\$56,359.65	3	\$169,078.95
Est. Annual Labour Cost		20	\$2,196,160.47
EMPLOYER LABOUR TAXES			
Annual Statutory Payroll Cost			\$194,087.67
Extended Health Benefits	CAD\$250 per employee per month		\$43,800.00
Est. Total Employer Payroll Tax Obligation			\$237,887.67
Standard MITACS Funding	-\$3,650.00	6	-\$21,900.00
Est. Total Credit and Funding for Wages			-\$21,900.00
Total Estimated Labour Costs			\$2,412,148.14
REAL ESTATE BREAKDOWN			
Overall Annual Average Asking Rent (All Classes)			\$37.11
SF per Employee			175
Total Employees			20
Estimated Rent Cost			\$129,896.20
RESEARCH COSTS BREAKDOWN (subjective to company)			
New Projects			\$2,000,000.00
Scale-up Investments			\$1,500,000.00
Data Platforms and Applications			\$1,500,000.00
Estimated Research Cost			\$5,000,000.00
Total Estimated Annual Operating Costs			\$7,542,044.34



# STEP 05

## From Incorporation to Operation

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### Start Your **Toronto Entity** (24-48 Hours)

We recommend working with a full-service legal firm who will work on your behalf to:

- + File Articles of Incorporation
- + Secure business name & number
- + Invest Canada notification (mandatory for foreign companies)
- + Employment legislation
- + Tax advice
- + IP and trademarks

**YOU CHOOSE:** DIY via Ontario Business Registry (\$360 CAD) or guided legal setup with a dedicated incorporation lawyer (prices range between \$2,000 - \$4,000 CAD)

### Build Your **Operations Playbook** (2-4 Weeks)

**You're incorporated. Now let's get you operational.**

Setting up a successful AI hub takes more than just a nameplate on the door — it's about building a solid foundation that enables you to scale quickly and confidently. That's where we come in.

From back-end logistics to front-line talent, the Toronto Region offers a full suite of support to get your office up and running with ease. Whether it's opening a bank account, securing a short-term lease, navigating immigration pathways for your international team, or establishing payroll and HR compliance — we'll connect you to the right people and partners.

What comes next? The operational essentials — and our team is ready to walk you through each one.



	Toronto Global will...	You'll benefit from...
Banking	Connect you to Commercial or Business Banking Team	Access credit, pay people and get paid
Immigration	Introduce partners at IRCC, immigration lawyers, and support you through the immigration process	Top notch legal expertise to bring in your team smoothly
HR Compliance	Establish connections for payroll, insurance benefits, and "Canadianizing" legal documents	Start your onboarding process with peace of mind
Real Estate	Introduce commercial and residential brokers; coworking spaces	Identify a great office space and find the right neighbourhood for you and your family.
Recruitment	Bring in local recruiters and postsecondary career services	Learn about market dynamics, start hiring and building your talent pipeline
R&D	Broker conversations with academic researchers and faculty	Identifying the bright minds that will solve your challenges
Back Office Support	Connect you with the right advisors (e.g. Tax, bookkeeping, regulatory & compliance, credits & grants)	Streamlining and outsourcing your administrative responsibilities



Whether your Toronto dream AI team may be ten or a hundred people, quality and competence counts. Work with Toronto Global to learn about the next recruitment fair, university partnership program, or exclusive networking event.

### Are you **considering...?**

1

#### **Bringing executives from HQ or other global offices to build a team and its culture?**

Thinking of a move to Toronto? Talk to us about immigration pathway options - which will vary by company and individual.

2

#### **Hiring a Canadian Country Manager who knows the local market?**

We can recommend where to find the right fit and work on together your market entry strategy.

3

#### **Finding the best data scientists, AI / ML specialists?**

We understand the critical role that recruitment plays in an expansion decision. Work with us to find the best talent for the job.



## 4

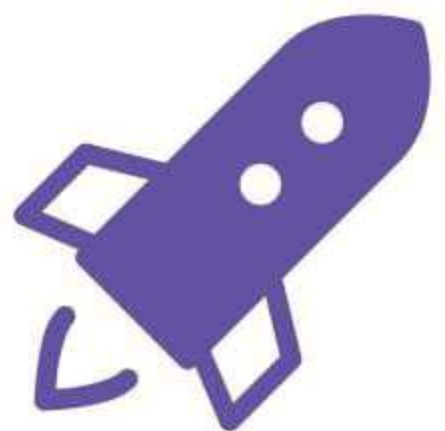
**Recruiting graduate students, interns or student co-op positions?**

There is grant funding available to cost-match hiring star students for short- to medium-term placements. Masters or PhD - we know where to search for the best of the best.





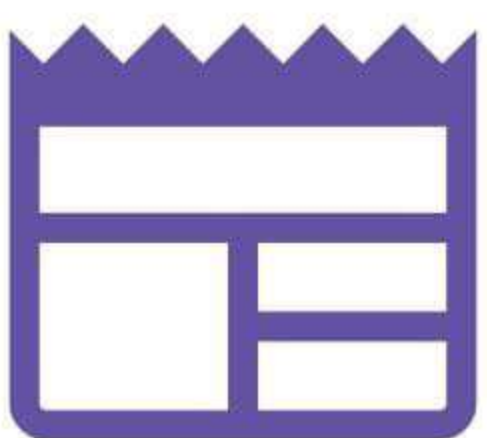
Toronto Global's in-house Communications and Marketing team offers a full suite of services to help international companies amplify their presence and share their expansion story across the Toronto Region and beyond.



**Event Planning** – Guidance on locations, vendors, invitees, and dignitary outreach, as well as coordination of speeches and media materials.



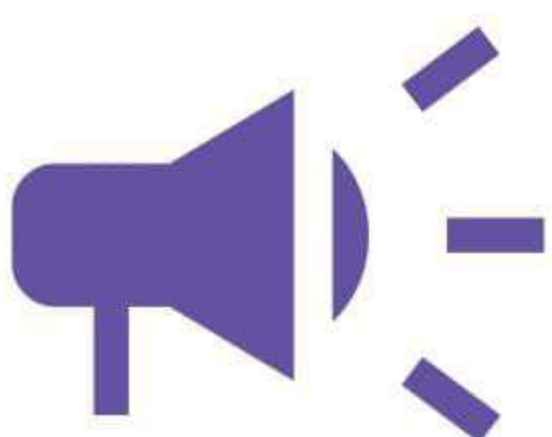
**Dignitary Engagement** – We liaise with key officials' offices (e.g., Ministers, Mayors) to secure participation, speaking opportunities, or quotes for your event or announcement.



**News Release Development & Distribution** – We co-develop press releases, secure internal and external approvals, and manage distribution via newswire, targeted media lists, and our social channels.



**Content Creation** – Choose from custom video offerings or success stories that spotlight your company, leadership, and growth in the Toronto Region.



**Social Media Strategy** – We collaborate on digital content strategy and cross-promote your announcements through Toronto Global's social platforms and audience networks.





Let's start your company's AI journey together - reach out to [info@torontoglobal.ca](mailto:info@torontoglobal.ca) to meet your new future friends at Toronto Global.